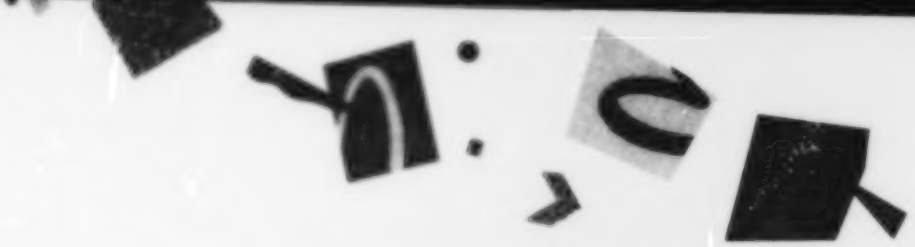

CELEBRATING

ALBERTAS
FAMILIES

Study paper prepared for
The Lieutenant-Governor's Conference -
Celebrating Alberta's Families

Edmonton, Alberta
February 19-21, 1990

Alberta's Families: Financial Health Status Report

The judgements and opinions reflected in this paper are solely the views of the author and do not necessarily represent the position of the Alberta Government.

HSP Humanite Services Planning Ltd.

Alberta
GOVERNMENT OF ALBERTA

Graphics in this report have been adapted from *What You Should Know About Alberta Children and Their Families...The Darker Side.* Edmonton, October 1982

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ABSTRACT

The intent of this paper is to describe the state of Alberta's families from a financial perspective by focussing upon the issues and challenges that they must face. A picture of their current financial status emerges from a presentation of salient statistics.

On the whole, Alberta families appear to be rather prosperous: slightly more than half of the province's families are in the middle class, and the average family income in 1985 was $44,197. The increase in multiple incomes has contributed to this prosperity, for 62 percent of Canadian families had more than one income by 1986. As family income increases, the amount that is disposable and available for expenditures, other than for the necessities of shelter, food and clothing, increases. Alberta families spend, on average, a higher amount than the average Canadian family.

Although husband-wife families are in the majority (88.2 percent) in Alberta, 18 percent of all families with children under age 18 are headed by a lone parent. Families with lone parents, particularly when headed by a female, are those most likely to be poor. Nearly half of the women who head a lone-parent family live at or below the poverty line, often due to circumstances created by divorce and the subsequent expectation of spousal financial independence. It is estimated that, in 1987, long-term homemakers and women with custody of young children accounted for 60 percent of divorced women. Divorced women, as well as those who are widowed or separated, have the highest unemployment rate at 24.8 percent.

In 1986, 148,000 Alberta households (16.8 percent of the total number of households) were at or below the poverty line, and 15.6 percent of Alberta's child population was living in poverty. The increase in the number of children receiving Social Allowance attests to the steady growth in the numbers of children of poor families. The fact that children living in poverty face considerable risks is evident in the correlations between low incomes, infant mortality, and child health and welfare status.

Although the statistics reveal that the majority of Alberta's families are relatively prosperous, we must also be cognizant of the significant number who live in poverty. Most prominent among lone-female-parent households, poverty particularly affects the children in these families, who are exposed to the associated health and social concerns.

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1. INTRODUCTION

This paper has been prepared to describe the financial status and the state of financial health of families in Alberta. The paper focusses on the financial issues and challenges that families must face in contemporary Alberta; and since some of the figures are for Canada, a relative position can be gleaned wherever possible. The reader must be aware that the data sources differ significantly, as do the years for which data are reported. Consequently, there are variations in numbers, and data sets are not readily comparable. Because of this, the writer has not attempted inference. Rather, the paper describes what is and then allows readers to form their own conclusions.

Setting the Stage

Leonard Sagan, in his book about family health, considered the rise and decline of the modern family and concluded that traditional cultures used the custom of kinship structures to provide a sense of meaning and coherence to their daily lives.[23] Today kinship is still considered the cornerstone of the modern family, but increasingly industrial societies are organized in reference to employment and the associated social and financial status and personal identity that is bound to that employment. Families and individuals are assessed by their economic well-being and frequently considered *only* in financial terms: often success is equated to conspicuous consumption and failure is equated to poverty. This situation is the reality of a modern industrial nation. Alberta is a fully fledged member of the industrialized west and enjoys both the prosperity and the problems. The following paper describes the state of Alberta's families from a financial perspective.

2. PEOPLE AND FAMILIES IN CANADA AND ALBERTA

Alberta has experienced a slow growth in its population in the past four years, with Canada and Alberta experiencing growth patterns between 1986 and 1989 as shown in Exhibit One.

Exhibit One: Alberta's Population

1986	1987	1988	1989 (estimate)
CANADA Population:25,353,000 Growth: +0.7%	**CANADA** Population:25,617,000 Growth: +1.0%	**CANADA** Population:25,912,000 Growth: +1.1%	**CANADA** Population:26,219,000 Growth: +1.2%
ALBERTA Population: 2,375,000 Growth: +1.1%	**ALBERTA** Population: 2,378,000 Growth: +0.1%	**ALBERTA** Population: 2,395,000 Growth: +0.7%	**ALBERTA** Population: 2,429,000 Growth: +1.4%

Source: Financial Post Report on the Nation, Winter 1989.[1]

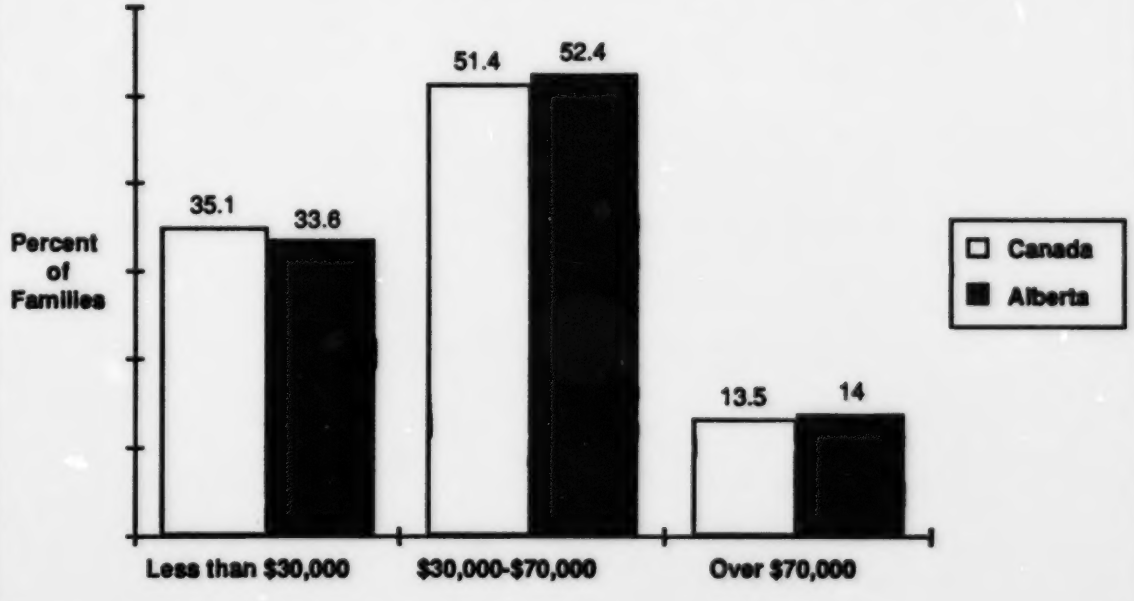
In 1986 there were 616,320 families in Alberta. Of these, the vast majority (88.2 percent) were husband-wife families. The majority of these families (288,710) had children under the age of 18.[2]

At this same time, Alberta had 51,905 lone-parent families with children under 18.[2] This means that 18 percent of all families with children under 18 are headed by a lone parent. Thus, one in five families depends almost entirely upon the earning capacity, leadership, caring, and nurturing skills of only one parent.

3. FAMILY INCOMES IN ALBERTA

Slightly more than half of Alberta's families are in the middle class (earning between thirty and seventy thousand dollars per year). The number of families earning less than the middle class is more than double the number of families earning more than this group. Exhibit Two shows how middle class families in Alberta are slightly greater in number than in the rest of Canada. Alberta also has a slightly lower proportion of lower income families. The average family income in Alberta in 1985 (all families) was $44,197.[3]

Exhibit Two: Family Incomes in Alberta 1987

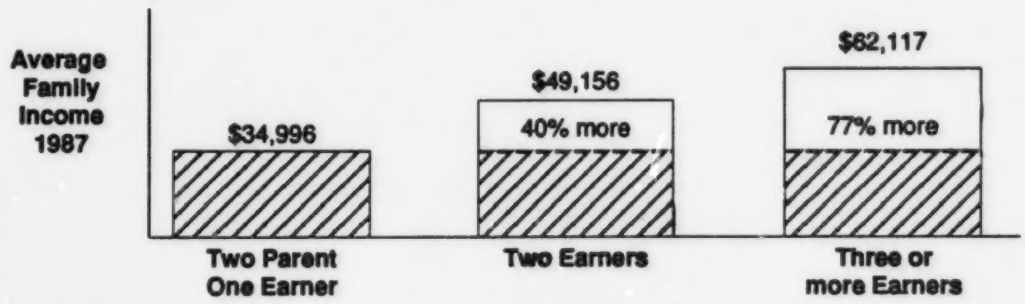


Source: Statistics Canada Cat. 13-207[4]

Throughout Canada spending power has declined for the middle classes in recent years, and women have become the "shock absorbers" according to Hay Management Consultants.[5] Real income increases for families have resulted from women entering the work force and in many cases providing the second income. The number of Canadian families with two wage earners has increased by 100 percent in the past 20 years.

In 1986, 62 percent of all Canadian families had more than one income. Multiple incomes can have a very beneficial effect, as is evident in Exhibit Three which shows that differences in incomes based on the number of earners can represent a 40 to 77 percent increase in the total family income.

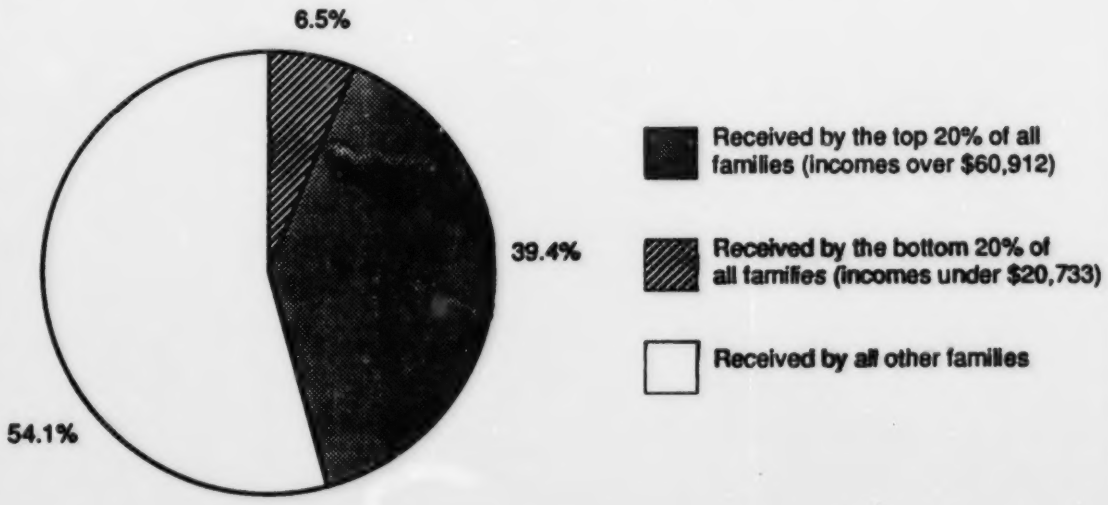
Exhibit Three: Single and Multiple Earners



Source: Statistics Canada Cat. 13-207[4].

Alberta family income distribution for 1987 is illustrated in the following diagram:

Exhibit Four: Alberta Family Income Distribution, 1987

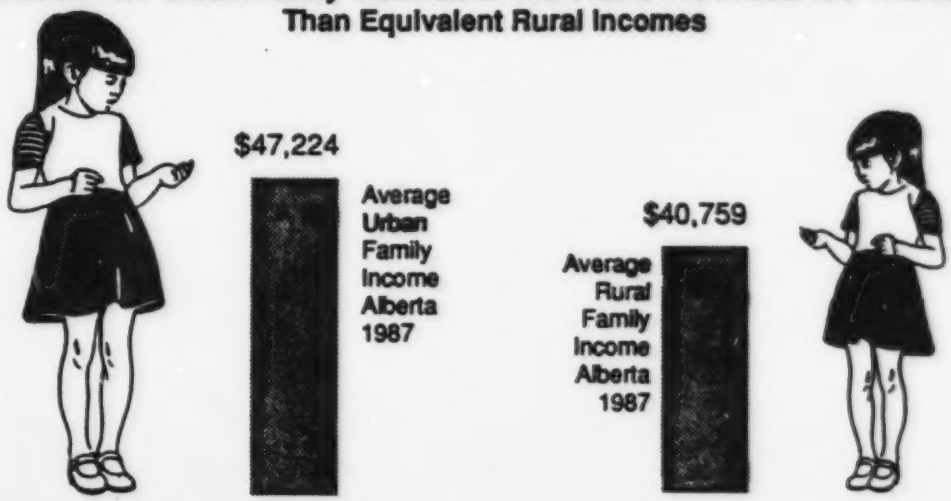

6.5%
39.4%
54.1%
Received by the top 20% of all families (incomes over $60,912)
Received by the bottom 20% of all families (incomes under $20,733)
Received by all other families

Source: Statistics Canada Cat. 13-207[4].

Alberta's Rural Families

Alberta's rural families (where population is less than 100,000) earned an average of $40,759 in 1987, which is 14 percent less than the $47,224 earned by their urban counterparts.[4] It is estimated that in 1986, 15.3 percent of rural families (23,000) were poor households.

Exhibit Five: Urban Family Incomes In The Prairie Provinces Are 11% Higher Than Equivalent Rural Incomes



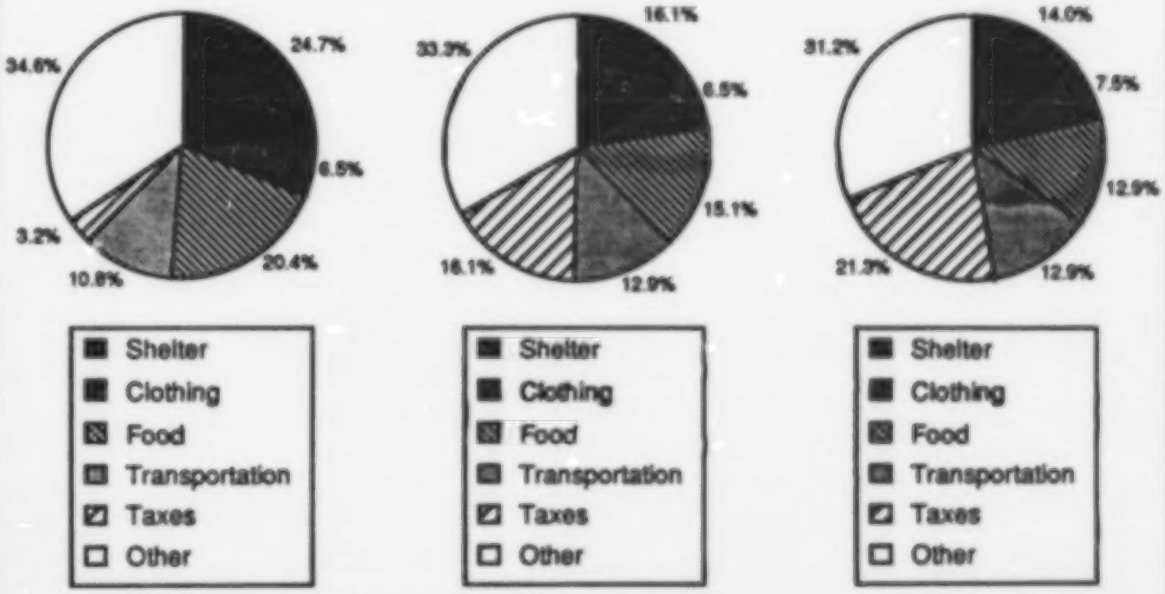
Source: Statistics Canada Cat. 13-207[4]

It must be noted that rural and urban family incomes may not be compared equally since the tax structure allows significant differentiation between those families. Therefore the 11 percent difference may in fact be somewhat less in spending power terms.

4. ALBERTA FAMILIES' SPENDING PATTERNS

As Exhibit Six shows, the proportion of family income spent on shelter and food decreases as the family income increases. Thus, lower income groups must spend a higher proportion of their income for necessities, leaving them with proportionately less disposable income than is available to higher income groups.

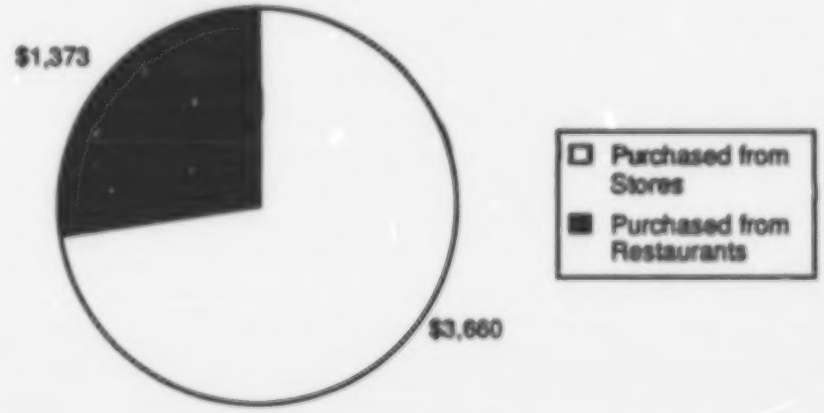
Exhibit Six: Proportion of Family Income by Spending Sector for Three Income Groups in Alberta



Source: Extrapolated and adapted from Tracking the Trends 1989.[7]

In 1986 the average Albertan had a per capita income of $17,777 as compared to $16,818 for the average Canadian. In the same year Albertans spent $14,855,000,000 in retail sales, representing $6,037 (or 34 percent of income) for each person.[1] When the average retail sales portion of 34 percent is compared with the amount spent on shelter (a high of 24.7 percent or a low of 14 percent, as shown in Exhibit Six) Albertans, on average, spend a lot more on retail sales than they do on shelter. (The writer assumes that retail sales *exclude* housing expenditures.)

Exhibit Seven: Family Income Spent on Food



Source: Statistics Canada Cat. 62-555[8]

Albertans also spent an average of $5,033 on food per family in 1986. Of this, 27 percent was spent on food purchased from restaurants (Exhibit Seven).

A comparison between the expenditures (average per family) of Canadians and Albertans for major expenditure categories in 1986[8] was as follows:

Exhibit Eight: Expenditures in Canada and Alberta 1986

Expenditure Catagory	Canada	Alberta
Food	$5,013	$5,033
Shelter	5,680	6,260
Household Operation	1,525	1,712
Household Furnishings	1,278	1,293
Clothing	2,215	2,316
Transportation	4,656	5,060
Health Care	648	757
Personal Care	679	741
Recreation	1,771	2,136
Education	296	222
Tobacco, etc.	1,128	1,032
Total Expenditures*	**35,179**	**37,841**

* Note, this total does not reflect the sum of categories; some categories have been omitted.

Exhibit Eight indicates that Alberta families are spending, on average, a higher amount than the average Canadian family.

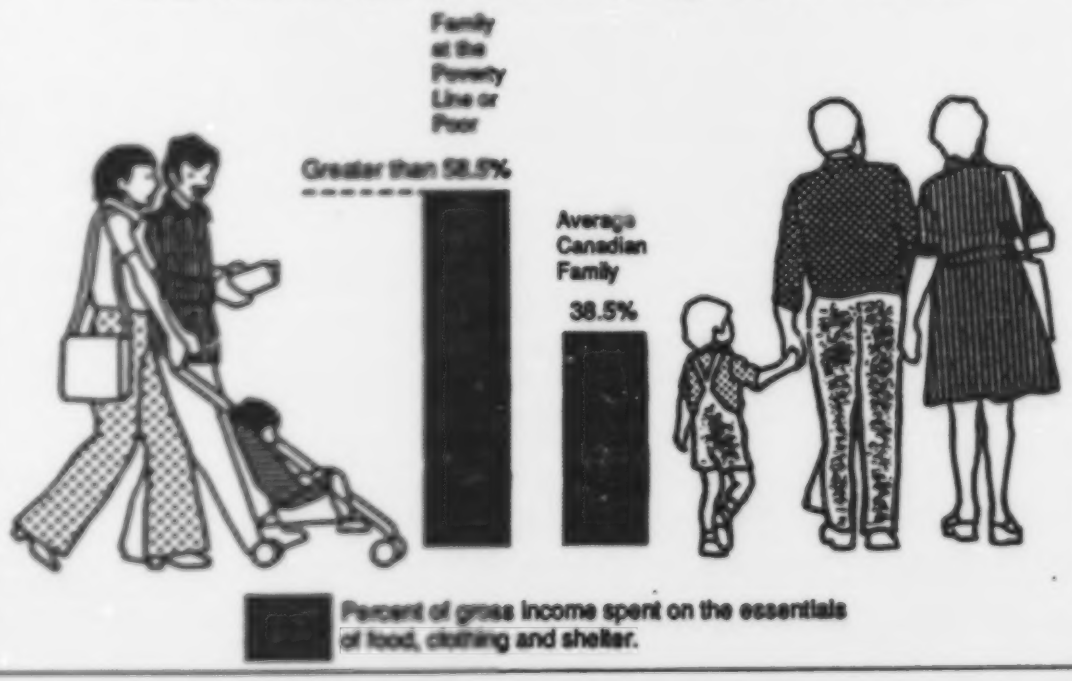
5. ABOUT ALBERTA'S POOR FAMILIES

Poverty in Canada is typified by deprivation and need caused by an unequal distribution of income. Poor Canadians face barriers to increased financial prosperity such as low levels of formal education and lack of job skills.

Canada does not have an official definition of *poverty*. Statistics Canada calculates poverty using family size and the popualtion of the home community, and then states that the family is at the poverty line when 58.5 percent or more of its gross income is spent on the essentials of food, clothing and shelter.

Exhibit Nine illustrates that the proportion of income spent on the necessities of food, clothing and shelter is much higher for poor families. Since poor families have less money to start with, their financial situation in both real and relative terms is very challenging.

Exhibit Nine: Comparison Between Average and Poor Families

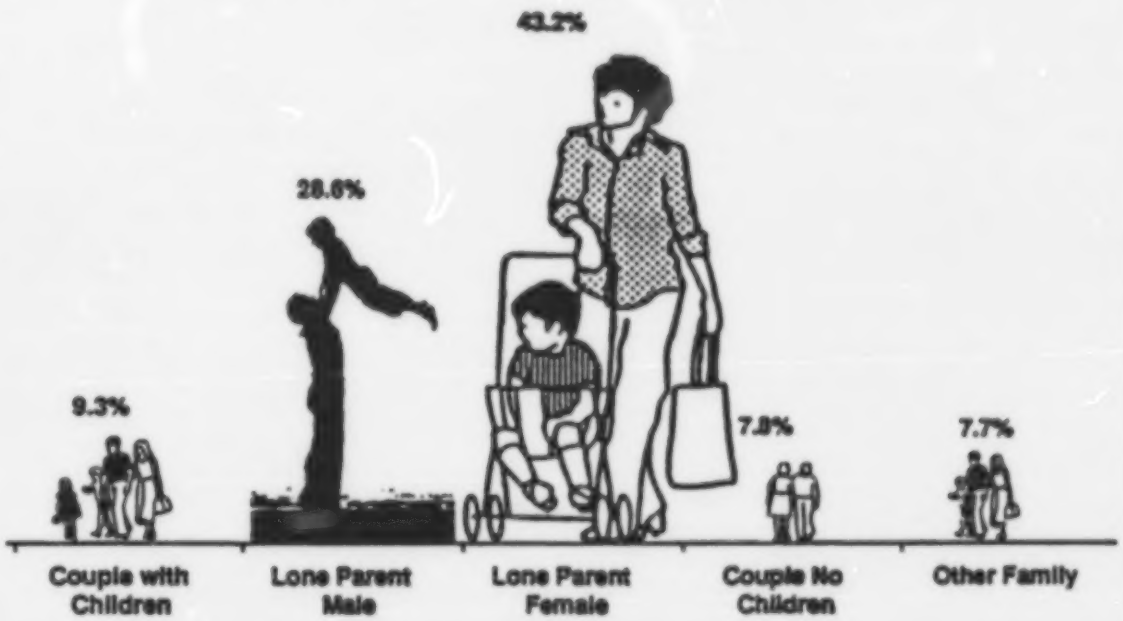

Family at the Poverty Line or Poor
Greater than 58.5%
Average Canadian Family
38.5%
Percent of gross income spent on the essentials of food, clothing and shelter.

According to the Canadian Council on Social Development, in 1986 Alberta had 148,000 households at or below the poverty line (some of these households may be individuals). This figure represents 16.8 percent of Alberta's 880,952 households; therefore, almost one in every five households in Alberta is at or below the poverty line.

The Council also estimates that the gap in Alberta between the poor household and the average household is $4,839.00.[9]

Of the 148,000 poor households, the distribution of poor families by family type is shown in Exhibit Ten.

Exhibit Ten: Poor Families in Alberta 1986 By Family Type



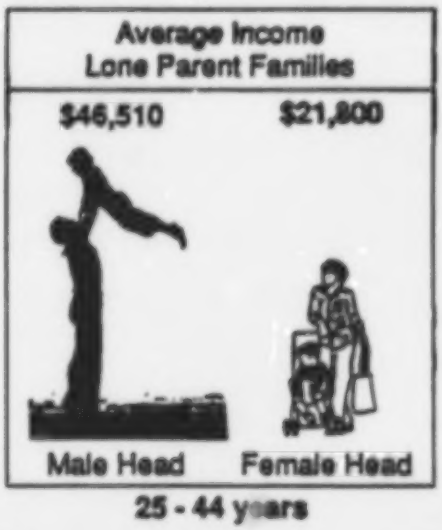
Source: Cited in Canadian Fact Book on Poverty[9]

As can be seen, the families that are most likely to be poor are those with lone parents, with almost double the incidence of poverty for families headed by a lone female.

In Canada generally families headed by a woman in 1987 earned 44 percent less income than those families headed by a man.[4]

Exhibit Eleven shows how this difference increases to 53 percent during the principal child raising period of 25 - 44 years, where families headed by a woman earned an average $21,800. Families headed by a man in that same age range earned an average of $46,500.

Exhibit Eleven: Average Lone Parent Incomes in Canada 1987



Source: Statistics Canada Cat. 13-207

Nearly half of the women who head a lone-parent family (43.2 percent in Alberta) live at or below the poverty line. This compares with 28.6 percent for male lone-parents who live at or below the poverty line.[9]

As poverty has become increasingly concentrated among lone parent families headed by a woman, some important characteristics have been identified for consideration. Lone parent mothers are likely to:

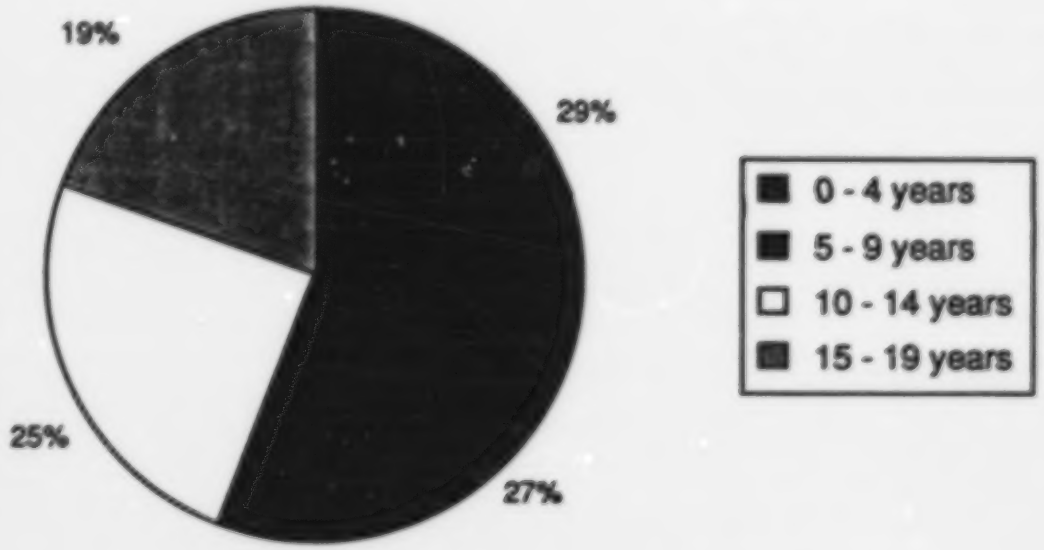
- be much younger,
- have considerably less formal education,
- be unemployed,
- have more children, and
- have younger children who require more care.

As indicated in Section One, 18 percent of all families with children under 18 are headed by a lone parent. When children are looked at as a distinct part of Alberta society, especially relative to poverty and the status of the head of the family, they become a particular point of interest and concern.

6. CHILDREN IN ALBERTA

According to the 1986 census, 802,970 Alberta children were living at home, and eighty percent of these children were under 18 years old. Alberta families have an average of 1.3 children.[10] Exhibit Twelve shows the estimates of Alberta's child population by age for 1989.

Exhibit Twelve: Alberta's Children (Estimate) 1989



Source: Statistics Canada Cat. 91-210

Children And Poverty

In 1986, more than a million children under 16 were growing up in poverty...that is, about one child in six. Between 1980 and 1986, despite a decline in the rate of poverty, there were 120,000 more children under 16 living at or below the poverty line. During that same time period, the number of children in the population decreased by 3.7 percent.

The risk of poverty is not the same for all children living in Canada. Exhibit Thirteen shows the variations between provinces, indicating that Alberta had 93,600 children living in poverty in 1986, a total of 15.6 percent of the child population.[11]

Exhibit Thirteen: Children of Poor Families by Province, 1986

	Number of Children, Under 16	Percentage of Child Population
Newfoundland	44,600	26.8
Prince Edward Island	5,100	15.5
Nova Scotia	39,000	19.8
New Brunswick	33,600	20.2
Quebec	282,100	19.2
Ontario	268,700	13.4
Manitoba	58,600	24.3
Saskatchewan	64,600	25.7
Alberta	**93,600**	**15.6**
British Columbia	126,300	20.2
CANADA	**1,016,000**	**17.6**

Source: *Poverty Profile 1988*, National Council of Welfare.[11]

Poor families (in which these children live) also require closer scrutiny. Exhibit Eleven shows the financial status of Canadian families relative to the head-of-the-household's earning capacity. Consider also the information in Exhibit Fourteen:

Exhibit Fourteen
Some Facts About Children in Poor Families

Female-headed single parent families	1 in 2
Families with three or more children	1 in 3
Families with parents under 25 years old	1 in 4

SOURCE: Poverty Profile 1988, National Council of Welfare[11]

Children In Poor Families

Links have been found between incomes, infant mortality and child health status, which reveal the risks that children living in poverty must face. The following information was collected by the Vanier Institute:[12]

- A recent Canadian study indicated that the child mortality rate is twice as high among families at the lowest income level than among those at the highest income level.
- Low birth weight is the single most important cause of infant deaths, especially in the first month of life.
- Low birth weight is also an important contributor to developmental disabilities.
- A Canadian study has indicated that low birth weight is inversely related to social class.
- Respiratory illness is the third leading cause of death and a major cause of hospitalization of children under 5. Children of low income are at greater risk of these illnesses.

The Edmonton Social Planning Council states emphatically that children who grow up in poverty are sick children and may suffer more from cancer, respiratory diseases, congenital anomalies and pneumonia than other children. The Council contends that higher mortality and morbidity rates are "closely tied to nutrition, health care and housing conditions."[13]

Conversely, improved health status has been equated with improved school performance and lower school drop-out rates. Since higher education is also equated with economic prosperity, this is obviously a desirable outcome.

In addition to health status being related to poverty, a child's well-being is also often correlated with poverty. The Vanier Institute provides the following information about children in the Child Welfare System in Canada:[14]

- In 1986, 49,000 children were in the care of child welfare systems in Canada. According to agencies in various communities, between 54 and 75 percent of these children came from low-income families.

- Approximately half the children and youth in the care of the child welfare system come from single-parent families. Single parents have fewer resources and supports to assist with the task of child rearing, and poverty can compound the stresses of raising a child alone.

- According to a 1980 report, Native children accounted for more than 20 percent of children in substitute care in Canada, even though they represented only 2 percent of all Canadian children. Canada's Native people are the most economically disadvantaged group in the country. Experiencing multiple deprivations, Native families often face greater burdens and difficulties in rearing children.

- The current allocation of resources places greater emphasis on child welfare and protection systems than on helping parents fulfill their child-rearing responsibilities. Money and support services are more readily available to assist with child rearing when the child is removed from the family than to help parents carry out this task on their own.

- Many studies indicate that the number of children in care who are able to return to their own homes increases significantly when parents receive supportive resources such as day care and adequate financial assistance. It is believed that if these supports and resources were in place to start with, the number of children coming into the child welfare system would decrease significantly.

7. THE NEAR POOR AND WORKING POOR

The near poor are considered by the Canadian Council on Social Development[9] to be those people whose incomes are 10 to 20 percent above the poverty line and whose living standard closely resembles that of the poor. In 1986, about 17 percent of Canadian families had incomes which were 10 percent above the poverty line, while within the same period 20 percent had incomes which were 20 percent above the poverty line. Also in 1986, 56 percent of female lone parent families were at or below the poverty line. In addition, approximately 5 percent were in the 20 percent above-the-poverty line earning category.

The working poor are those "whose household adult members did not, between them, have at least 49 weeks of either full-time or part-time work during the year."[15] The number of working poor households increased between 1973 and 1986, growing by 19 percent for families. Exhibit Fifteen provides the details of the three time periods.

Exhibit Fifteen: The Working Poor: 1973, 1979, and 1986

	1973	1979	1986
Number of Working Poor			
families	226,430	243,610	269,370
unattached individuals	95,810	100,270	140,110
total households	322,240	343,880	409,480
Share of all non-elderly poor households	33.3%	29.4%	29.0%
Contribution to poverty gap	23.7%	21.5%	23.0%
Average poverty gap (1986 $)	$4,806	$5,283	$4,605
National unemployment rate	5.5%	7.4%	9.6%

Sources: Unemployment data are from Statistics Canada, *Historical Labour Force Statistics*, 1987. From Fact Book on Poverty CCSD 1989.[16]

In Alberta in 1986 there were 28,783 working poor families as opposed to 577,644 non-poor families.[17] Working poor families are likely to have the following characteristics that contrast with non-poor families:

- reside disproportionately in western provinces,
- have considerably less formal education,
- have more dependent children, and
- are younger with concentration in the 25-34 age group.

Even though people in these families are working, they are still poor. This is usually because the wage earners are paid the minimum or slightly above the minimum wage. In Alberta the minimum wage is $4.50 per hour.

The following calculation examines how the minimum wage in Alberta falls well below the poverty line for a two-person family.

Exhibit Sixteen: Working Poor

Minimum wage = $4.50 per hour
x 40 hours per week = $180 per week
x 50 weeks = $9,000 (gross) per year

$15,258 (poverty line, 2 person family)
- 9,000 (income at minimum wage)

$6,258 BELOW the poverty line

Source: Alberta Facts: Edmonton Social Planning Council, May 1989.[13]

Exhibit Sixteen shows how a family of two persons, possibly a lone parent and young child, must face poverty despite the fact the parent works full time. Even though this is a somewhat different formula to that proposed by the CCSD (49 weeks),[15] the difference of one week's income does not have a profound impact on the overall income of the theoretical family.

One current trend is the rise of the service industry in Alberta where many new jobs have been created which pay at, or just above, minimum wage levels. Because such job opportunities are the only available option for many Albertans, their families have no choice but to exist on these minimal incomes.

8. DIVORCE

It is important to note that more than 40 percent of Alberta marriages end in divorce. There were 76,630 divorced people in Alberta according to the 1986 census survey.[10] This figure does not include the portion of married people (1,155,940) who are separated; therefore, the potential number of persons "between marriages" is unknown.

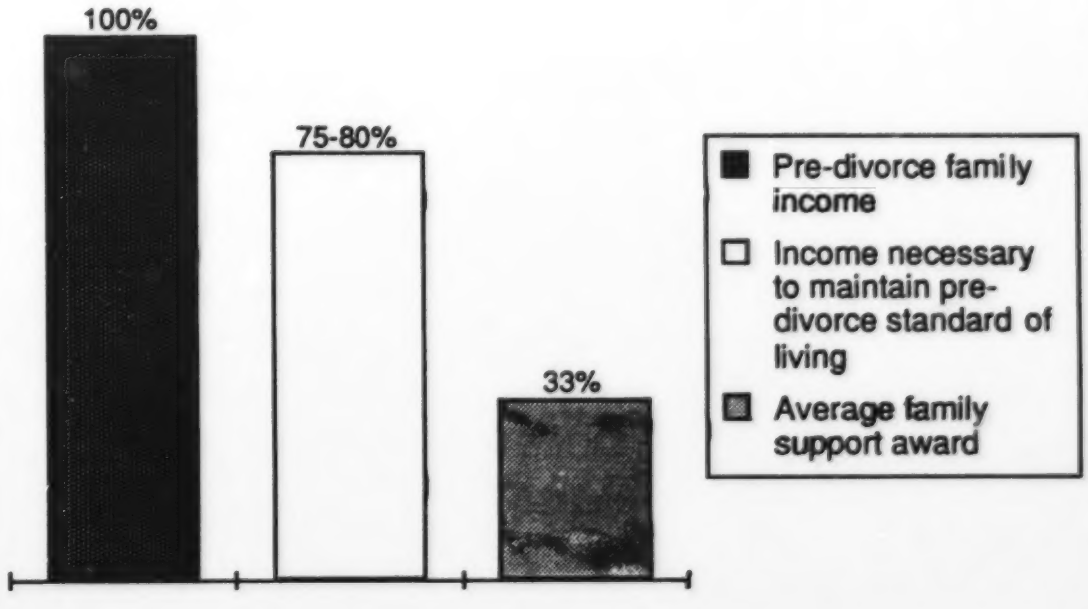
After the break-up of families due to separation and divorce, parents must still be responsible for the financial burden of children. The Divorce Act of 1985 obligates divorcing parents to share financial responsibility for their children. This is facilitated through the Maintenance and Recovery Act. The Province introduced the Maintenance Enforcement Program in February 1986 to increase the recovery of maintenance funds, therefore enabling spouses to have some financial support. In 1988, 24,000 collection cases were registered with the Enforcement Program.

In 1987, it was estimated that long-term homemakers and women with custody of young children account for 60 percent of divorced women. This figure suggests that only a minority of female lone parent families are capable of self-sufficiency.[18] Many single-parent families who are not self-sufficient do not receive their support payments. For example, the average collection rate in Alberta, based on a 90 day period, is 62 percent NSF support cheques total to approximately $50,000.00 per month.[24]

There is a widespread belief, backed up by research in the United States and Australia, that support awards are inadequate and are placing the burden of the cost of raising the next generation largely on the custodial parent. This trend suggests that divorced single parents, especially mothers, face a greater challenge in providing for their children.

Such changes in income and a subsequent downward trend in the family's standard of living are to be expected. In 1979 it was calculated that 75-80 percent of previous total family income is necessary to maintain the pre-divorce standard of living for a mother and two children, while awards generally average 33 percent of the previous family income. The discrepancy is depicted in Exhibit Seventeen.

Exhibit Seventeen: Family Support 1979



Source: Canada Research Institute for Law and the Family, How Much and Why?, 1989.[18]

According to the Institute of Law Research and Reform, the average amount awarded per child in Alberta in 1981 was less than $50 per month. Only 20 percent of orders fell between $75 and $125. Exhibit Eighteen shows average child support awards for Calgary in 1987.

Exhibit Eighteen: Average Monthly Child Support Award by Number of Children Under 18 in Family Calgary, Alberta, 1987

Number of Children in Family	Number of Cases	Number of Cases Where No Child Support was Paid	Average Child Support Award ($/month/child)
1	128 (47%)	37 (29%)	$240.66
2	112 (41%)	20 (18%)	$198.28
3	26 (9%)	3 (11%)	$155.13
4	6 (2%)	1 (17%)	$230.00
5	1 (1%)	0	$60.00

Source: Canadian Research Institute for Law and the Family, How Much and Why?, 1989.[18]

No child support was awarded in nearly one-third of Supreme Court cases involving dependent children, and awards were significantly lower to mothers on welfare.

No-fault divorce laws and the consequent expectation of financial independence of spouses, in conjunction with the increase in service sector jobs and low wages for women, have had the effect of consigning many divorced women to public assistance and a life at subsistance levels.

9. EDUCATION AND EMPLOYMENT

Alberta (included as a prairie province in Statistics Canada data) has one of the highest incidences of females who are earners. The proportion of wives with earnings grew from 35 percent in 1967 to 65 percent in 1985. The increase has been linked to changes in occupation levels, education, fertility and marriage.[3]

Exhibit Nineteen shows how the female labour force participation rate has grown for the period between 1980 and 1989.

Exhibit Nineteen: Workforce Participation 1980-1989

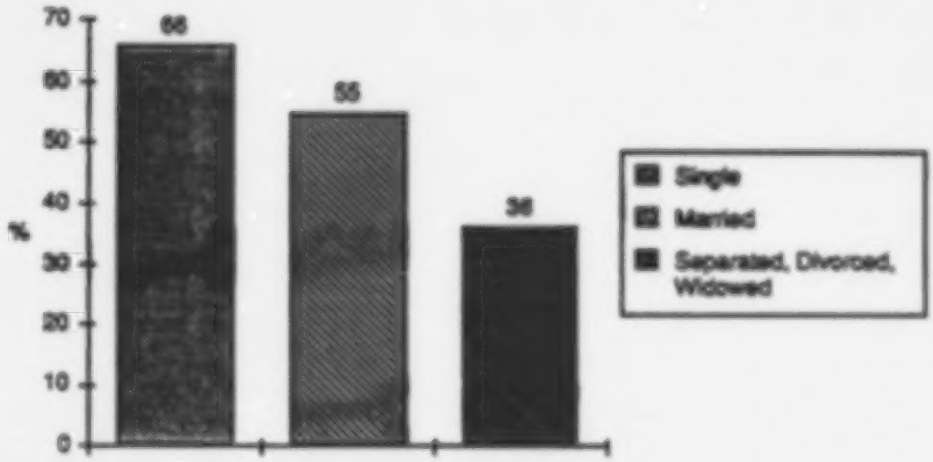
	1980	1989	Rate of Increase
Men	6,459,000	6,985,000	8.1%
Women	4,249,000	5,495,000	29.3%

Source: McLeans, Report on the Nation, Winter 1989.[1]

Even though the employment participation rate has increased so dramatically, women aged 15 to 24 years who are divorced, widowed or separated have the highest unemployment rate at 24.8 percent. This reflects the fact that women in this age group often lack sufficient income to enable them to pursue the training or education required for employment.[19]

Exhibit Twenty profiles the marital status of working women.

Exhibit Twenty: Labour Force Participation of Women by Marital Status 1987



Source: Canadian Research Institute for Law and the Family, In How Much and Why?, 1989.[18]

Education of wage earners is one of the important factors determining income generating ability. For example, families headed by a university graduate had an income of $63,606 in 1987 in Canada (Stats Canada Income Distribution by Size 1987).[4] Of these, 28.5 percent had incomes in excess of $75,000 per year. Also, when a husband and wife are dual earners they tend to be younger and better educated than other spouses.

Since education is such an important variable in preventing poverty, consider the following information reported by the Edmonton Social Planning Council:[13]

- Children from poor families are less likely to finish high school and finish their education than children from wealthy families.
- Children from poor families skip school twice as often as children from other families.
- Only 20 percent of Indian students finish high school, compared to a national average of 70 percent.
- People with less education have a greater chance of being out of work, and therefore a greater chance of being poor. Poor children are more likely to become poor adults.

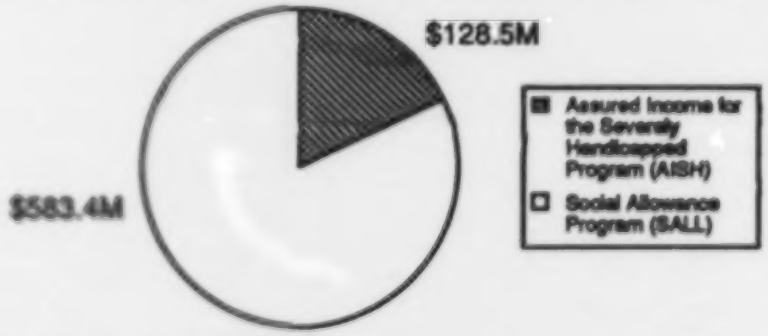
10. ALBERTA'S GOVERNMENT INCOME SUPPORT PROGRAMS

Alberta pays Social Allowance to individuals or heads of families "in need." The amount paid is considered to be adequate to obtain basic necessities for themselves and any dependents. Employable persons eligible for Social Allowance are expected to seek employment, or engage in academic upgrading or retraining to reach a state of job-readiness. Employable means anyone who is not:

- 60 years or over,
- ill or disabled,
- a single parent (wth different formulas based on age and number of dependent children),
- a person caring for a spouse who has a mental or physical incapacity,
- a woman in the last trimester of pregnancy,
- a single parent enrolled in an upgrading or training program,
- a person otherwise assessed as being unsuitable for employment.

Where parents are unable or unwilling to provide care for their child, benefits may be granted under the Guardian Social Allowance (GSA) program. Persons with disabilities may receive assistance under the Social Allowance Program or the Assured Income for the Severely Handicapped program (AISH), or both. Eligibility is based on the person's financial resources, assets and income. The total benefit expenditures on income support programs (not including the Alberta Assured Income Plan for Seniors and Widows' Pension) for 1987-88 were $712M. A breakdown of expenditures in the two program areas is provided in Exhibit Twenty-One.

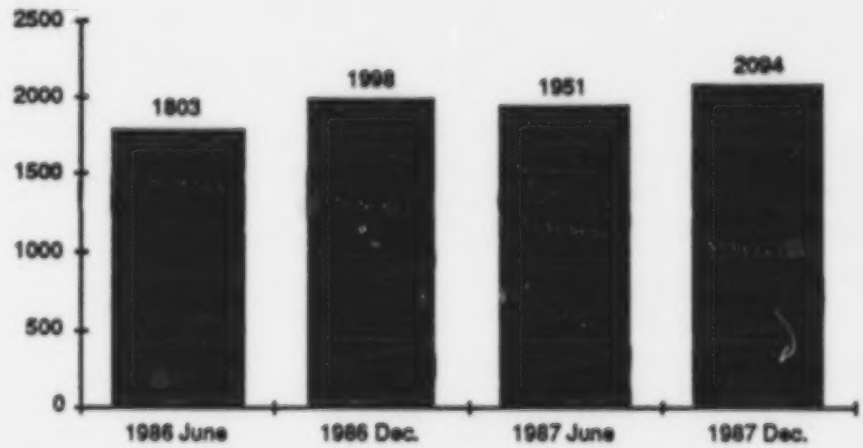
Exhibit Twenty-One: Benefit Expenditures in Alberta 1987-88



Source: Public Accounts of Alberta, 1987-88[20]

Exhibit Twenty-Two examines the growth in number of children on Social Allowance and indicates that over an 18 month period it has increased by 10 percent.

Exhibit Twenty-Two: Number Of Children Under The Guardian Social Allowance Program



Source: Adapted From Health and Welfare Canada, Inventory of Income Security Programs in Canada[21]

Yet again children and poverty are inextricably bound at one end of the spectrum of Alberta society, and the numbers are growing steadily.

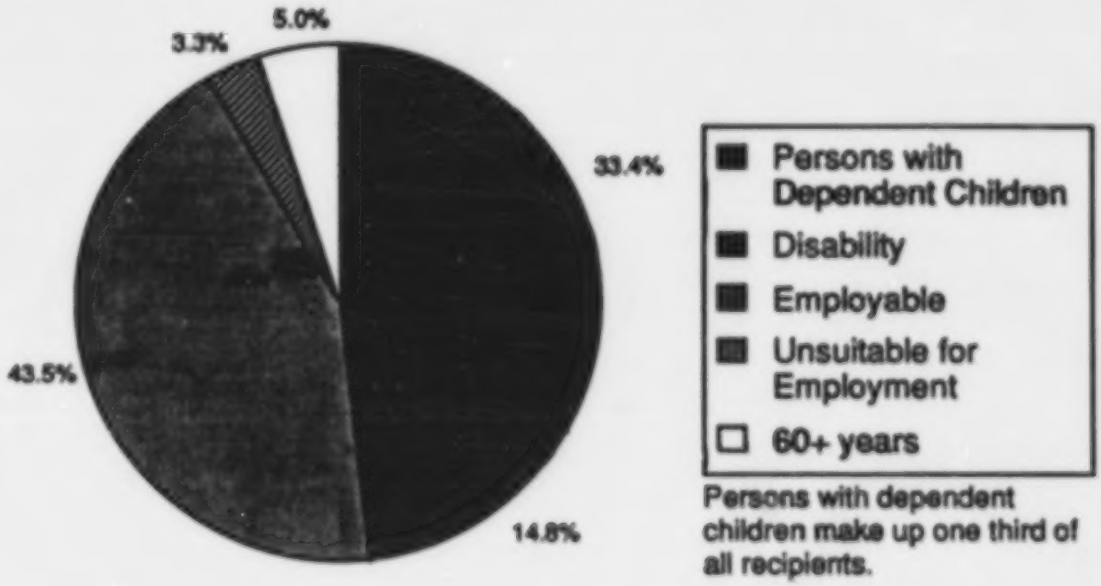
In June 1987, 38,629 families were receiving Social Allowance. They represented more than half of the total number of 72,065 cases. Exhibit Twenty-Three, which describes the distribution of Social Allowance cases, shows the high percentage of people on Social Allowance who are employable (43.5 percent). When this percentage is applied to the total caseload, approximately 28,800 "cases" are employable.

Here are some other facts about income support:

SOME FACTS ON ALBERTA'S INCOME SUPPORT PROGRAMS

- In June 1987, 6.5% of Albertans received either Social Allowance or Guardian Social Allowance.
- Over 38,000 families were receiving Social Allowance in June 1987.
- More than 2000 children were receiving Guardian Social Allowance in December 1987.
- One third of Albertans receiving Social Allowance in June 1987 were persons with dependent children.

Exhibit Twenty-Three: Percentage Distribution Of Social Allowance Cases In Alberta, By Reason, June 1987



Persons with dependent children make up one third of all recipients.

Source: Health and Welfare Canada, Inventory of Income Security Programs in Canada[20]

11. PENSIONS

The Canada Pension Plan does not allow direct participation by homemakers, although it provides survivor benefits for the spouses and dependent children of deceased plan members. The Canadian Advisory Council on the Status of Women consider women to be at a unique disadvantage in the area of pensions.[22]

The average pension for men is higher than that for women, the difference resulting from a combination of women's lower pensionable earnings and women's work patterns in the labour force. When women work in their homes for their families they are not entitled to participate directly in work-related pension plans. This can contribute to poverty in the later years of a woman's life.

In addition, employment pension plans have not been designed according to women's lifestyles and work patterns. Women are more mobile in the workforce and often drop out of the labour force to bear and care for children, thus contributing to their financial vulnerability. Part-time workers may work too few hours to be eligible for pension plan membership. Since 72 percent of all part-time workers are women, they again have a reduced opportunity to gain access to pension plans. In addition, when women interrupt their careers, they often loose part or all of the pension entitlement they earned while working because they have not stayed long enough with their employer to have pension rights.

Finally, when a woman dies, her husband may continue to draw his same pension because it was based on his employment. However, a woman who is dependent on her husband's employment pension may have the pension reduced to 60 percent of its original value after her husband dies.

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